

# **Conflict of Interest Policy**

V1.0

# Introduction

This is version V1.0 of SFEDI Conflict of Interest Policy and replaces all previous versions. This document is subject to regular revision and maintained electronically by its owner. Electronic copies are version controlled. Printed copies are not subject to this control.

Change history (insert previous version if applicable)

Section	Change
	Not applicable – new policy

# Scope

This policy sets out how SFEDI identifies, manages, and monitors existing or potential conflicts of interest. It also provides guidance to Centre staff and third parties (including those that provide services or goods to SFEDI or approved SFEDI Centres).

This policy encompasses the three areas where SFEDI has a responsibility to its Regulators:

1. Awarding Organisation conflicts of interest. That is, situations where activities carried out by SFEDI itself (or on its behalf, or by a related company) might impair its ability to make objective, unbiased decisions about how best to develop, deliver or award its qualifications
2. Conflicts of Interest that relate to the individuals connected to any part of the development, delivery or award of SFEDI qualifications. That is, situations where a particular individual’s interests might impair their ability to make the objective, unbiased decisions that are necessary to ensure SFEDI can develop, deliver, and award its qualifications in line with the Conditions
3. Situations where an observer would perceive that SFEDI or an individual has a competing interest
4. Additional internal guidance exists for SFEDI Board members, staff and contractors regarding personal, professional ad business interests

# Definitions

## Conflict of Interest

A conflict of interest exists in relation to an awarding organisation where:

1. “Its interests in any activity undertaken by it, on its behalf, or by a member of its Group have the potential to lead it to act contrary to its interests in the development, delivery and award of qualifications in a way that complies with its Conditions of Recognition”
2. “A person who is connected to the development, delivery, or award of qualifications by the awarding organisation has interests in any other activity which have the potential to lead that person to act contrary to his or her interests in that development, delivery or award in a way that complies with the awarding organisation’s Conditions of Recognition”, or
3. “An informed and reasonable observer would conclude that either of these situations was the case”

## Personal interest

A personal interest is:

“A Conflict of Interest that relates to a particular individual. All Conflicts of Interest that fall under part 2 above are personal interests, as are any perceived Conflicts of Interest under part 3 that relate to individuals, rather than to the awarding organisation itself. A personal interest can be financial or non-financial in nature.

## Examples

It is not possible to provide a definitive list of examples of conflicts of interests, but the following are examples of situations that could lead to actual or perceived conflicts of interest.

Examples of conflicts of interest at awarding organisation level that could compromise the integrity of SFEDI qualifications and assessments include:

- SFEDI produces equipment or materials (such as textbooks) used in the teaching or assessment of its qualifications
- SFEDI is part of a Group, and another company within Group operates a number of Centres delivering its qualifications
- SFEDI has received an allegation of malpractice and is deciding who should investigate it
- SFEDI pays individuals who determine appeals
- SFEDI uses a large pool of markers for its assessments. Some of the more experienced markers also act as members of a panel which determines appeals
- SFEDI uses contractors to develop or review assessment material who will have access to confidential assessment materials

Examples of conflicts of interest at Centre level that could compromise the integrity of SFEDI qualifications and assessments include:

- Business or commercial interests that could influence professional judgement (e.g., approved Centres who train their own staff with a view to making commercial/financial gains from their activity)
- Tutors, assessors and internal verifiers working with a business outside of the approved SFEDI Centre that is in direct competition with them
- Personal relationships with family or friends that could influence decision making (e.g. Trainers, assessors or internal verifiers having a close or familial relationship with a SFEDI registered learner, or learners' family whilst being involved in decisions about the outcome of their qualification)
- When a related couple both act as Trainer/Assessors and internal verifiers and they quality assure each other's work
- Gaining benefits such as gifts, employment, or hospitality if a decision is made in favour of a particular individual or organisation (NB: gifts given with the "intent to induce improper conduct" can be considered a bribe as referenced in the UK Bribery Act 2010)
- Centre staff carrying out assessment on behalf of SFEDI. The Centre's main source of income is payments based on the number of learners who pass the qualification. The pay and reward of Centre staff is linked to the Centre's overall income
- Mutually beneficial arrangements, which compromise an individual's ability to make reliable and professional judgements (e.g., a Trainer/Assessor and internal verifier who work together at the same centre and who frequently quality assure each other's work)
- Investigations into complaints, appeals, malpractice etc. are completed by a Head of Centre who is likely to have (or perceived to have) a vested interest in the outcome of any such investigation

The existence of such interests as those outlined above, does not necessarily imply conflict, but is likely to give an appearance of conflict and as such should be declared.

## SFEDI Responsibilities

SFEDI has a responsibility to its regulators to identify, monitor and manage any conflict of interest which relates to us and any which arises in the future. To do this SFEDI:

- Takes all reasonable steps to avoid learners being assessed by anyone with a personal interest in the outcome of the assessment. Where this is unavoidable, we will ensure that any part of the assessment, which is conducted, is scrutinised by a second part who has no personal interest in the outcome of the assessment
- Establishes, maintains, and complies with this written Conflict of Interest Policy and communicates this policy to all relevant stakeholders
- Establishes and maintains an up-to-date record of internal and external conflicts of interest (relating to SFEDI Board members, staff, contractors, and suppliers and to centre staff)
- Takes all reasonable steps to mitigate any Adverse Effect and as far as possible, correct it
- Should an Adverse Effect occur, report it to the relevant regulator, within the specified time frame
- Respond to any request from a regulator in relation to conflicts of interest

Identification of a conflict of interest either potential or existing, does not necessarily prohibit operations if the risk can be prevented or minimised, and managed appropriately. However, there are certain circumstances in which conflicts of interest are not permissible. To comply with these requirements SFEDI:

- Prohibits anyone with a personal interest in the outcome of an investigation into potential malpractice from carrying out investigations into suspected or alleged malpractice
- Prohibits anyone with a personal interest in the outcome of the investigation into potential breaches of confidentiality from carrying out investigations of suspected or alleged breaches of confidentiality
- Prohibits anyone with a personal interest in the decision being appealed from taking decisions on that appeal
- Prohibits anyone carrying out any of the above three activities, where an informed and reasonable observer would consider a reason or incentive exists

## Identifying a conflict of interest

All SFEDI staff and contractors must be aware how to identify existing or potential conflicts of interest at awarding organisation and approved Centre level. To maintain regulatory compliance, SFEDI staff and contractors responsible for processing Centre Approval Applications, managing SFEDI approved Centres, and carrying out external quality assurance activities must have the required knowledge and be able to provide advice and guidance to Centres on how to identify conflicts of interest and how to mitigate identified conflicts appropriately.

All SFEDI staff and contractors have a responsibility to declare any existing and/or potential conflicts of interest that may impact on how they carry out their role. Staff and contractors are required to submit a declaration containing full details of all identified conflicts and any actions taken as appropriate mitigation.

This record is requested and reviewed on an annual basis by SFEDI.

If the circumstances relating to any declared conflict of interest change at any stage, individuals are required to provide updated details to ensure records held by SFEDI are current and accurate.

## Monitoring and managing conflicts of interest

As a regulated awarding organisation, SFEDI is required to monitor and manage all conflicts of interest that relate to it (both internally and externally) to maintain compliance with regulatory requirements. SFEDI monitors and manages external conflicts of interest through various activities, including:

- Processing Centre and Centre staff approval applications. All applicants are asked to provide details of any existing or potential conflicts of interest that may affect their role with SFEDI (should approval be obtained) and how these will be managed. SFEDI staff will review the information provided and if they consider the situation has not been appropriately managed will contact the Centre to discuss and agree relevant action
- Ensure approved Centres understand what constitutes a potential and/or actual conflict of interest and has appropriate mechanisms in place to identify and report on this
- SFEDI quality assurance staff, such as External Quality Assurers (EQAs) are responsible for carrying out external quality assurance activity of a Centre's assessment and internal quality assurance activities. Through these interventions, checks are made to ensure that any existing conflicts of interest previously declared by the Centre or any conflicts of interest declared relating specifically to the delivery of a qualification/learner have been managed/mitigated appropriately
- SFEDI quality assurance staff are responsible for checking and recording the details of Conflict of Interest Declaration Forms received from approved Centres. They will log the details of these and check that the mitigation of the conflict provided on the form is appropriate. If this is not the case, the Centre will be contacted to discuss the scenario and ensure there is a clear understanding of the requirements with respect to conflicts of interest and that such conflicts will be managed/mitigated appropriately in future
- Maintain a current external conflict of interest register, updating details and removing items as appropriate
- Take the necessary action to ensure the integrity of the assessment process is maintained when conflicts of interest cannot be avoided
- Provide advice and guidance to Centres on how to mitigate conflicts of interest

SFEDI monitors and manages internal conflicts of interest through various activities, including:

- Ensure staff and contractors are trained to recognise existing or potential conflicts of interest at awarding organisation and Centre level and are aware how to appropriately mitigate the associated risks
- Ensure conflicts of interest declared by awarding organisation staff and contractors are recorded, clearly stating how these conflicts have been appropriately mitigated
- Continuously monitor existing and potential conflicts of interest at awarding organisation level
- Maintain a current internal conflict of interest register, updating details and removing items as appropriate

## Centre Responsibilities

Centres must adhere to the following to ensure ongoing compliance with SFEDI and regulatory requirements:

- During the approval process, Centres are required to confirm that they have appropriate internal policies, processes, and procedures in relation to conflict of interest and that their Centre staff are aware of this

- Centres must maintain an accurate internal record of all existing and potential conflicts of interest affecting the operation of SFEDI qualifications, including details of mitigating actions taken. This record must be accurate, current, and available to SFEDI upon request
- Centres must declare all identified conflicts of interest which will have an impact on Centre operation and delivery of SFEDI qualifications. To do this, a Conflict of Interest declaration form must be completed and submitted to SFEDI. The form must detail all details that have arisen and the actions that have been taken to either avoid or mitigate the risk
- Centres must keep SFEDI informed when there is a change in circumstances or if new conflicts of interest arise in the course of time
- Ensure all Centre staff understand what constitutes a potential and/or actual conflict of interest and are aware of how to identify and mitigate conflicts of interest as and when they arise
- Centres must manage working arrangements to avoid identified conflicts of interest as much as possible. For example, if a Centre staff member knows a learner who requires assessment (outside of the normal working relationship (e.g., a relative, friend or neighbour)), where it is reasonably practicable, an independent assessor should carry out that assessment. Where the identified conflict of interest is unavoidable, it is important that Centres ensure that independent scrutiny occurs to mitigate the conflict. For example, in the example above if an independent assessor is not available then it may be sufficient for an IQA to conduct a 100% sample of the learner work once the assessor has completed the assessment
- Centres must ensure that independent scrutiny takes place if a conflict of interest cannot be avoided. For example, the Centre could arrange for another SFEDI approved IQA from another Centre to carry out quality assurance activity on a qualification where a conflict cannot be avoided. Alternatively, the Centre could request that a SFEDI EQA conduct some of the internally quality assurance process (there may be a charge related to this)
- Centres must ensure conflict mitigation takes place at the time of the conflict rather than after the event. This ensure that the level of independent scrutiny has been carried out fairly, without bias and in line with SFEDI requirements
- Ensure any actions assigned by SFEDI in relation to conflict of interest are carried out. Any Centre which does not carry out assigned actions or which fails to disclose or manage conflicts of interest appropriately may have sanctions imposed upon them
- Where a Centre works in partnership with another organisation, or sub- contracts part of the delivery of SFEDI qualifications, they must manage all potential conflicts of interests arising from third parties, partners, and sub-contractors
- On any occasion where a Centre is uncertain whether a conflict of interest exists, they could contact SFEDI to discuss, prior to any activity being undertaken

**Actions that could be taken:**

Most situations require no further action than the completion of the conflict of interest form. In some instances, however, the information declared on the form will require some follow up action, for the conflict of interest to be managed appropriately. The approach agreed at the Centre should be documented and held with the conflict of interest forms. Examples of actions could include:

- An individual not taking part in discussions or decisions of certain matters
- Referring certain matters for decision to others with no vested interest
- Agreeing not to be involved in a particular project or with a particular centre
- Declaring an interest when it is appropriate to do so
- Referring the matter to SFEDI quality assurance staff for advice and guidance

## Review Arrangements

We will review this policy as part of our annual self-evaluation arrangements and revise it as and when necessary in response to customer and learner feedback, changes in our practices, actions from the regulatory authorities or external agencies, changes in legislation, or trends identified from previous allegations.

In addition, this policy may be updated considering operational feedback to ensure our arrangements for dealing with Conflicts of Interest remain effective.

If you would like to feedback any views, please contact us via the details provided at the end of this policy

## Other Related SFEDI Policies and Documents

- Conflict of Interest Declaration Form
- Sanctions Policy
- Conflict of Interest Guidance for Board members, staff, and contractors
- Conflict of Interest form for Board members, staff, and contractors
- Appeals Policy
- Malpractice and Maladministration Policy
- Confidentiality Policy

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## Contact Us

If you have any queries about the content of this policy, please contact our customer service department.

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